

are determined by various factors which *inter-alia* include availability of infrastructure, manpower, domestic market and fiscal and other incentives provided by various State Governments. FIPB guidelines do not determine the location of the project involving FDI.

(d) The main sectors in which foreign investment have been made are Transportation Industry, Electrical Equipments, Fuels, Chemicals (other than Fertilizers), etc.

(e) To attract foreign investment in large measures, State Governments are required to develop their own degree of industrial and financial infrastructure, increase the potential size of their market and also to increase the skilled human and natural resources of the state beside providing the fiscal and other incentives.

(f) Data on employment generation with specific linkage to FDI is not centrally maintained.

IRDA permission to FIIs for Investment in Insurance sector

1790. SHRI NAGENDRA NATH OJHA: Will the Minister of FINANCE be pleased to state:

(a) whether the Insurance Regulatory Development Authority (IRDA) has decided to allow Foreign Institutional Investors (FIIs) to invest in Insurance joint venture without hitting the 26 per cent ceiling on direct foreign investment;

(b) if so, the details thereof;

(c) Whether it is a fact that this decision is against the initial policy of restricting the foreign equity to 26 per cent; and

(d) If so, the reasons for diluting the accepted policy in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) No, Sir

(b) to (d) Do not arise.

Increase in Economic Offences

† 1791. SHRI ANIL SHARMA: Will the Minister of FINANCE be pleased to state:

(a) what is Government's reaction to the news-item captioned, "Arthic

† Original notice of the question was received in Hindi.

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aparadhon mein bhaari vridhi se desh ki ekta, akhandata ko khatra" appearing in Punjab Kesari on July 4, 2000;

(b) what measures are being taken by Government to check substantial accumulation of black money as well as economic losses; and

(c) what action is being taken by Government to check the open violation of the concerned rules?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI V. DHANANJAY KUMAR): (a) Government is concerned about the reported increase in economic crimes, as they may have an adverse impact on the economic as well as national security of the country.

(b) Necessary legislative, fiscal and administrative measures are taken from time to time, to check generation of black money and evasion of taxes.

(c) In case of contravention of any Act or the rules made thereunder, action such as search, seizure, arrest, and imposition of fine and penalty, is taken, as per the provisions in the statute concerned.

Representation regarding Income Tax Act, 1961

1792. SHRI LALITBHAI MEHTA: Will the Minister of FINANCE be pleased to state:

(a) whether a delegation led by Sahkar-Bharti has on 12th June, 2000 submitted any representation regarding section 80P (2) (a) (i) of Income Tax Act, 1961;

(b) If so, what is the reaction of Government thereto;

(c) whether it is a fact that the matter with regard to section 80P(2) (a) (i) of the Income Tax Act, 1961 can be solved by issuing a circular by C.B.D.T.; and

(d) if so, the reasons for not taking the decision on issuing circular?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI V. DHANANJAY KUMAR): (a) Yes, Sir.

(b) to (d) Since the matter is *sub-judice*, no action, including issuance of circular, has been taken.

Introduction of Post Based-Roster in Ministry of Finance

1793. SHRI BALWANT SINGH RAMOOWALIA: Will the Minister of FINANCE be pleased to state: